

THE ADVANTAGES OF USING THE PATENT COOPERATION TREATY

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Businesses and inventors often discover that their intellectual property may be valuable in foreign markets as well as in the U.S. As such, the question arises of how to obtain patent protection in foreign countries.

If an inventor wants to protect his invention in a particular foreign country, he must apply for and be granted a patent by that country's patent office because a patent issued by one country is not enforceable in another country. For example, a US patent is only enforceable in the United States. If the applicant also wishes to obtain patent protection for that invention in Japan, he will have to file for and be granted a patent by the Japanese Patent Office.

METHODS OF FILING PATENT APPLICATIONS IN FOREIGN COUNTRIES

There are two ways in which an applicant, such as the inventor or the company that owns the rights for the inventor's work, can file patent applications in foreign countries. An applicant may file applications directly with the foreign patent offices. As an alternative, the applicant may file an international application under the Patent Cooperation Treaty (PCT) in

which he can designate the PCT Contracting States (countries) in which patent protection is desired.

If an applicant files patent applications directly with the foreign patent offices, the applicant will have to prepare patent applications that comply with the particular formalities requirements, (i.e. the size of the paper used, margins requirements, arrangement of the part of the application) of each such office. The formalities requirements can vary from country to country. Accordingly, an applicant wishing to obtain patent protection in a number of different countries may have to prepare different versions of the application for each of those countries. Additionally, the applicant will be required to have the application translated into the other languages if those countries do not accept English as a language of filing. Most foreign patent offices do not allow U.S. applicants to represent themselves during patent prosecution. Therefore, applicants may be required to obtain the services of a patent agent registered to practice before each foreign patent office. As a result, the direct filing of patent applications in multiple countries can be an expensive endeavor at the onset.

On the other hand, an applicant may choose to file an international application under the PCT as the means for filing foreign patent applications. The

PCT is an international treaty that is administered by the World Intellectual Property Organization (WIPO), in Geneva, Switzerland. There are currently 115 Contracting States that are party to the PCT. Under the provisions of the PCT an applicant only needs to file a single international application that is in compliance with one set of formalities requirements. The international application is filed in one country and in one language and that single international application has the effect of a regular national filing as of its international filing date in each PCT Contracting State designated by the applicant. Thus a single international application can have the effect of filing for patent applications in up to 115 countries. An international application filed under the PCT is usually filed with the patent office of the country in which the applicant is a resident or national. Therefore, a U.S. applicant can file his or her international application with the U.S. Patent and Trademark Office as the receiving office. Many inventors take advantage of the PCT when filing foreign patent applications. In fact in 2000, U.S. applicants filed more than 42 percent of all international applications filed worldwide.

The cost of filing an international application with the United States Patent and Trademark Office as the receiving office can range from

approximately \$1,200 to approximately \$2,200. The price can vary depending on a number of different factors including the length of the application, the choice of International Searching Authority and the number of designations made. U.S. applicants do not need to hire a patent attorney or patent agent to represent them before the U.S. Receiving Office although the use of one can be advantageous for those not familiar with the process.

TWO PHASES OF THE PCT

1. The first phase of the process is the international phase. During the international phase the international application is filed, international search is performed by a major patent office in its capacity as an International Searching Authority (ISA) and the International Search Report (ISR) is prepared by the ISA. The ISR cites prior art relevant to the claimed invention. WIPO publishes the application together with the ISR at 18 months from the priority date. Optionally, if the applicant wants to have the international application examined by a major patent Office in its capacity as an International Preliminary Examining Authority (IPEA), he or she can file a demand for international preliminary examination that elects at least one eligible Contracting State. The IPEA will examine the application and prepare a preliminary, non-binding opinion as to the novelty, inventive step and industrial applicability of the claimed invention by issuing an International Preliminary Examination Report (IPER). The IPER is transmitted by the IPEA to WIPO which in turn transmits it to all the foreign patent Offices that applicant elected.
2. The second phase is the national phase. The national phase is the point in the process where the application is examined by the foreign patent offices and where those offices either grant a patent or reject

the claimed invention. To enter the national phase the applicant notifies the various eligible offices that he is applying for patent protection, pays the national filing fees and where necessary, translates the international application and obtains the services of a patent agent.

ADVANTAGES OF USING THE PCT

When an applicant files an international application under the PCT, he will receive an International Search Report (ISR) approximately four months from the international filing date. In a direct foreign filing, on the other hand, the applicant may not receive a first office action on the merits of the invention until more than 18 months after the application was filed. Thus, by filing an international application under the PCT the applicant receives an earlier indication of the relevant prior art than he or she would by filing patent applications directly in foreign patent offices.

Another advantage of using the PCT process is the delay in having to decide with which foreign patent offices to pursue patent rights. In most countries, a foreign patent application must be filed within one year of the filing date of any prior patent application on the same subject matter in order to receive benefit of the filing date of the prior application. While an international application filed under the PCT must also be filed within the same 12-month deadline, the time limit for entering the national phase in the various foreign patent offices designated by the applicant is 20 months from the priority date. The time limit can be delayed even further to 30 months from the priority date if the applicant files a demand before 19 months from the priority date. On April 1, 2002, an amendment to PCT Article 22 will take effect that changes the time limit for national phase entry to 30 months regardless of whether a Demand was filed.

By being able to delay the foreign filing decisions by an additional 8 months or 18 months after the international application is filed, the applicant has more time to assess the commercial viability of his invention and to find financial backers to help cover costs. The PCT applicant can also delay paying foreign filing fees, fees associated with translating the application into other languages and fees for the services of foreign patent agents by using the PCT process. These fees are often exorbitant. Yet, when compared to the process of making direct foreign patent application filings, the PCT process advantageously provides the applicant with extra time and information before he or she must decide whether or not to make this often costly investment in pursuing national patent protection in any particular designated country. ■

For more information:

Visit the U.S. Patent and Trademark Office — Office of PCT Legal Administration web site: www.uspto.gov/go/pct. Users can access forms, receive guidance and sign up to receive regular updates on this site.

If your questions are not answered online, assistance is also available through the PCT Help Desk, which is accessible by Tel: (703) 305-3257 or Fax: (703) 305-2919.

Useful Websites:

United States Patent & Trademark Office — Office of PCT Legal Administration:
www.uspto.gov/go/pct

World Intellectual Property Organization — PCT:
www.wipo.int/pct/en/index.html

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